

Testimony of
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In opposition to SB 339
February 20, 2007

Madam Chair, Members of the Committee.

For the record, my name is Greg Dahl. I sincerely appreciate the opportunity to testify today in opposition to SB 339

Before I begin my testimony, please allow me to take note of the very strong views that the members of the Jefferson County Board have with regard to this issue. The fact that I disagree with their views on the issue of cross-county annexation in no way diminishes the high regard that I have for their exceptional dedication and service to our county and its citizens.

With that said, please allow me to explain why I oppose SB 339.

Let me begin by noting that cross-county annexation is common across much of our nation. In fact, according to a 2002 study by the Carl Vinson Institute of Governing at the University of Georgia, seventeen states specifically allow, by state statute, cross-county annexation. Those states include Arizona, Arkansas, California, Colorado, Georgia, Indiana, Iowa, Michigan, Mississippi, Nebraska, New York, North Carolina, Ohio, Oregon, South Carolina, Tennessee and Virginia.

A number of other states, including Montana and Washington, while not specifically authorizing cross-county annexation, allow it by virtue of their general annexation laws and methods.

As a result, many municipalities across the nation have municipal boundaries that are in more than one county. It is worth taking a moment to mention a few.

They include the Washington cities of Bothell, Coulee Dam, Milton and Woodland; Salt Lake City; Portland; Sacramento; Columbia, South Carolina; Raleigh, North Carolina; and Nashville, Tennessee. I am confident that a little additional time searching on the internet would reveal many, many more cities that cross county lines. I should note that cities such as Salt Lake City and Portland, like Helena, are bordered by mountains that limit development in certain directions.

There are a number of compelling reasons why cross-county annexation is good public policy. Those reasons include:

1. The logical and systematic extension of city services.

2. So-called "Smart Growth" that encourages high density city growth, which reduces the pressure for urban sprawl, and therefore preserves open space and wildlife habitat.
3. Tax base growth that can benefit both the city and the county

Please allow me to briefly comment on each one of these points.

1. The logical and systematic extension of city services.

The logical and systematic extension of city services is one of the most powerful arguments in favor of cross-county annexation. Any of you who are from the Helena area know that in the Helena Valley, wells are going dry as more and more homes drill private wells into our valley's aquifer. In addition, as more and more homes are built that rely on private septic systems, the nitrate levels in well water in the Helena Valley are rising as well. These are signs of unsustainable development.

The most logical way to protect our water resources in the Helena Valley is to extend city water and sewer services. The extension of city water ensures that homeowners get clean, healthful water to drink that has been treated in a continuously monitored treatment plant. Likewise, the extension of municipal sewer services ensures that waste water is properly treated in a continuously monitored wastewater plant.

My business partner, Mark Runkle and I, operating as R and D Partners, are working on the Mountain View Meadows project in Helena. The first phase of this 1,600 acre project is a 200 acre development that includes single family homes, as well as condominiums.

As the map indicates, most of this development that is in Lewis and Clark County and as a result will be annexed to the City of Helena. However, we have several hundred acres in Jefferson County as well. This land is relatively flat, and is well-suited to high density development. While possible annexation of this property is many years down the road, we have sized all water and sewer mains on the Lewis and Clark side of the county line to handle all projected growth not only in Lewis and Clark County, but in Jefferson County as well. Because of large landholdings by the state and Ashgrove Cement that essentially surround our property in Jefferson County, it would appear highly unlikely that annexation would continue to the South from our property. Specifically, Ashgrove Cement has publicly stated its property south of ours will be maintained as a "buffer zone" around its plant to keep development at a distance. This buffer zone has the added benefit of preserving open space and wildlife habitat.

2. **So-Called "Smart Growth", which encourages high density city growth, which reduces the pressure for urban sprawl, and therefore preserves open space and wildlife habitat.**

The next important reason to allow cross-county annexation relates to what some have called "Smart Growth". In a nut shell, Smart Growth means high density development on city services. The idea is that if growth is to occur, high density reduces the pressure for suburban "sprawl".

In Montana, we have seen first-hand, the damage that sprawl can do to wildlife habitat and open space. In the last 15 years, the Helena Valley has seen dramatic growth. Because city lots were limited, growth occurred by means of lots with private wells and septic systems to the North into the valley, the East into Broadwater County, and to the South into Jefferson County.

The next effect of this growth has been increased building at the forest interface, building in the forest itself, increased conversion of farmland and grazing land to home sites or ranchettes and increased loss of wildlife habitat. Of course, building in the forest interface may put both property and lives at risk. In addition, as noted above, this growth has placed increasing pressure on our precious ground water resources.

3. Tax base growth can benefit both the city and the county

The last compelling reason for cross-county annexation is that tax base growth resulting from such annexation can be of benefit to both the city and the county. Specifically, I have been at meetings of the Jefferson County Board where Board members have noted that under the current tax structure in Jefferson County, on average, new homes consume more dollars in County services than those same homes provide in tax revenue to the County.

Annexation of land contiguous to City of Helena could provide a win - win solution for both Helena and Jefferson County. Specifically, City of Helena homes in Jefferson County would have city services. Meanwhile, those same homes would pay county taxes which would continue to go to Jefferson County. Meanwhile, Jefferson County would have a dramatically reduced need to provide services to those same homes, because those services would be provided by the city. The net effect should be an increase in revenue to Jefferson County.

Summary

Let close by noting that growth will almost certainly continue in the Helena Valley and in the many other parts of Montana. We have been blessed with a beautiful state that is worth protecting. I would submit that one of the most important ways we can protect our land, our water and our abundant wildlife is to encourage high density growth in our cities. In that way, we can help ensure that more of the unfettered beauty of our state is preserved for future generations to enjoy.

I am most grateful for your kind attention, and I would be delighted to answer any questions.